

An information guide to Local Services Boards

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For many years there has been a need to find some means whereby residents of unincorporated communities in northern Ontario could provide certain basic services for themselves—services such as fire protection and safe water supply that are essential to the basic quality of life.

An important step toward meeting this need is Bill 122, an Act to Establish Local Services Boards.

Living in an unorganized area myself, I have long known the need for a formal means of taking care of collective community requirements. I also understand that not all unorganized communities want the same degree of formal organization nor do they necessarily want or need the same kind and level of services.

For these reasons, the establishment of a local services board is optional and the services it can provide are flexible. The Ministry of Northern Affairs will assist financially with the costs of operating and maintaining essential services. However, the availability of financial assistance should not be the only consideration for a community assessing the advantages of having a local services board.

Administering the board, contracting for and maintaining a level of services, raising and budgeting the funds required by the board are all the responsibility of the residents themselves.

Bill 122 was prepared in response to the oft-expressed wishes of the residents of many unincorporated communities for such a mechanism. I hope all residents will consider the Local Services Boards Legislation significant and complementary to the unique lifestyle of their communities.

A handwritten signature in blue ink that reads "Leo Bernier".

Leo Bernier/Minister of Northern Affairs

What is a local services board?

A local services board is a legally constituted, self-help body of three or five elected members. Residents of an unincorporated community can elect a local services board to act on their behalf to ensure that basic services are provided for them on a continuing basis.

The residents of an unorganized community must decide whether a local services board would be in their best interests.

Local services boards are established and governed by the Local Services Boards Act.

What can a local services board do for an unincorporated community?

A local services board ensures that basic services are provided for the community it represents. These services may include some or all of the following: water supply, fire protection, sewage disposal, garbage collection, street or area lighting and recreational programs or facilities.

The board arranges for the delivery of the services chosen by the residents of the community.

A local services board is not a replacement for a local roads board or a board of education.

It may be asked at times to consult with or advise provincial government ministries or agencies on such matters as area planning and development, policing and local social and health services. A local services board, however, does not have regulatory powers or direct responsibilities in these areas.

How is a local services board established in a community?

Residents and property owners of an unorganized community call together their neighbours to consider the desirability of setting up a local services board. To do so, proper notification must be posted at least 14 days prior to the date of the meeting and the Ministry of Northern Affairs must be informed. This is to ensure adequate representation of residents and property owners at the meeting.

The local Northern Affairs officer should be invited to attend the meeting, both to offer any counsel or advice about the local services boards program and to facilitate the preparation of a report on the proceedings for the information of the Minister of Northern Affairs.

Any decisions made at a local meeting must have the support of the majority of the voting inhabitants present at the meeting.

When the meeting is held, one person is chosen to chair the meeting (usually the person named for calling the meeting) and another to act as secretary to record the proceedings.

Matters to be considered and voted upon at the meeting include: whether to request the formation of a local services board, the services that are to be provided initially, the boundaries of the proposed board area, the number of board members to be elected (three or five) and the name of the board.

After full discussion of these matters, the recommendations are voted upon by the voting residents present at the meeting. The recommendations voted upon by the residents must be sent to the Minister of Northern Affairs by registered mail in order to comply with the requirements of the Local Services Boards Act. The recommendations must also be posted prominently in the proposed board area.

It is important to note that residents might choose to hold more than one meeting to evaluate the advantages to them of establishing a local services board for their community.

After careful consideration of the application, the Minister of Northern Affairs makes the final decision as to whether a local services board may be established. His decision will be based on such factors as community representation indicated by the number of residents making the recommendations and the Northern Affairs officer's report.

A community that receives approval to set up a local services board must hold another public meeting (having given at least two weeks notice) for the election of board members. For the first election, the Ministry of Northern Affairs will help the community make the necessary arrangements.

How does a local services board work?

A local services board is a volunteer organization operated for the benefit of the residents of an unorganized community by an elected board of three or five members. The members are elected for one-year terms and are not permitted to accept salaries.

In order to provide the agreed upon services, a local services board can enter into contracts with individuals, private businesses or the province, but it cannot employ permanent staff. The secretary of the board can, but need not be, one of the elected board members other than the chairperson; the secretary is not considered to be permanent staff but is eligible to receive an honorarium if the community decides it is desirable.

The chairperson is chosen by the board members from among themselves.

With few exceptions, the local services board establishes its own operating procedures as long as these are within the guidelines of the Local Services Boards legislation and satisfy the residents of the community. While all board meetings are open to the public, specific general meetings must be called to permit property owners and residents to participate in discussions and the review of decisions on current and proposed services, on the annual budget and the auditor's annual report. Where a local levy on the Provincial Land Tax is proposed, residents are required to vote on the matter.

Where does a local services board get the money to provide the services?

With a local services board in place, a community will have better access to more reliable ways of raising money locally and also to various funding programs of the provincial government.

Local revenue

Revenue raised locally by the community may be used either to establish a service or a facility or to cover the costs of operating and maintaining a service or facility.

The methods chosen to raise funds are determined by the residents of a community at an annual meeting of the local services board.

The options for raising funds include setting user fees for specific services, levies against assessment for local services (using the already-established Provincial Land Tax mechanism) and/or traditional fund-raising activities such as community dances and sales.

Provincial government funding

A local services board is recognized by provincial government ministries and agencies as a legal body representing an unincorporated community. A board is therefore eligible to apply for assistance from the various capital funding programs of the provincial government (including the Isolated Communities Assistance Fund of the Ministry of Northern Affairs) to establish a service or facility.

Unincorporated communities with no local organization (such as a local services board) authorized to act for the residents as a whole are not eligible for many of these fund-

ing programs; they are and will remain eligible for assistance from the Isolated Communities Assistance Fund.

In addition, the Ministry of Northern Affairs will provide an operating subsidy to a local services board to relieve the community of some of the costs of operating and maintaining a service or facility.

A community would be eligible for a subsidy of \$1 for every \$1 raised by the board from a surcharge on the Provincial Land Tax mechanism, user fees or funds received by the board from community events; the subsidy would be calculated to match half the revenue required to cover the budgeted operating costs of the local services board, provided the board raises its half.

The calculation of the matching grant is net of any other government funding received. Bequests, donated land, voluntary labour or materials are not eligible for the matching grant. These contributions will of course always be important to a board's overall activities.

In Summary

The matching-subsidy arrangement between Northern Affairs and a local services board is to provide money to cover the operation and maintenance expenses of an established facility or service. The establishment of a service or facility is to be financed by the community itself or through existing provincial government programs. The

Ministry of Northern Affairs does not intend to duplicate or replace existing government capital assistance programs for which a local services board would be eligible.

For example:

A community already has a fire truck, a public hall and a skating rink. The annual operating budget is \$10,000 and there are no new capital requirements.

The advantage of having a local services board is that half of the operating costs for these services can be met with the Ministry of Northern Affairs subsidy, providing the community raises its half.

Example 2:

A community has no fire protection and wishes to set up this service.

Since there is no funding available for this service other than through the Isolated Communities Assistance Fund of the Ministry of Northern Affairs, the local services board could apply to ICAF or could finance it on its own.

Once the board has established the service, the local services board would then be eligible for the matching subsidy from the Ministry of Northern Affairs to cover operating costs such as insurance, heating, lighting, gasoline.

The local services board would have to raise its share of the budgeted operating costs in order to receive the matching subsidy from Northern Affairs.

What are the responsibilities of the Ministry of Northern Affairs toward a local services board?

The Ministry of Northern Affairs, through the Northern Affairs officers, will assist a community in initially assessing the advantages of establishing a local services board; in preparing the application to the Minister for a board; and in organizing the community's first election meeting once the establishment of a board has been approved by the Minister of Northern Affairs.

The Minister of Northern Affairs has the authority to approve or deny a request for a local board. The recommendations agreed upon at the official organizational meeting should be sent to the Minister of Northern Affairs as an application for incorporation as a local services board. The Minister reviews the community's recommendations on boundaries, services, etc. and then makes a decision.

The Ministry of Northern Affairs will support local services boards by providing advice on matters of general administration and assistance in preparing budgets and the establishment of an accounting system.

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